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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte JONATHAN BLACK¹

Appeal 2016-006852
Application 13/720,119
Technology Center 3600

Before ROBERT E. NAPPI, LARRY J. HUME, and JASON M. REPKO,
Administrative Patent Judges.

NAPPI, *Administrative Patent Judge.*

DECISION ON APPEAL

This is a decision on appeal under 35 U.S.C. § 134(a) from the Examiner's final rejection of claims 1 through 10 and 12 through 15. We have jurisdiction under 35 U.S.C. § 6(b).

We AFFIRM.

¹ According to Appellant, the real party in interest is NCR Corporation.
App. Br. 2.

INVENTION

Appellant's disclosed invention is directed to a method for identifying a user of a terminal (e.g. automated teller machine) using a biometric parameter and executing a transaction for the identified user. *See Spec. 1.* Claim 1 is representative of the invention and reproduced below.

1. A method, comprising:

scanning a user at a terminal;

in response to scanning the user, determining, at the terminal, at least one biometric parameter associated with the user at the terminal;

determining, at the terminal, a plurality of active users associated with the terminal; and comparing, at the terminal, the at least one biometric parameter with corresponding biometric parameters of the plurality of active users, the terminal including an interface for the user to perform a transaction via the terminal;

determining, using the at least one biometric parameter, a pre-staged transaction associated with the user; and

performing, at the terminal, the pre-staged transaction via the terminal,

wherein the pre-staged transaction is determined and performed without using a physical token or a personal identification number (PIN).

REJECTION AT ISSUE²

The Examiner has rejected claims 1 through 10 and 12 through 15 under 35 U.S.C. § 101 for being directed to patent-ineligible subject matter. Answer 2–3.

² Throughout this Decision we refer to the Appeal Brief filed November 10, 2015, Reply Brief filed July 1, 2016, Final Office Action mailed August 10, 2015, Appellant's Specification submitted December 19, 2012, and the Examiner's Answer mailed May 4, 2016.

PRINCIPLES OF LAW

Patent-eligible subject matter is defined in § 101 of the Patent Act, which recites:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

There are, however, three judicially created exceptions to the broad categories of patent-eligible subject matter in § 101: laws of nature, natural phenomena, and abstract ideas. *Alice Corp. Pty. Ltd. v. CLS Bank Int'l*, 134 S. Ct. 2347, 2354 (2014); *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 566 U.S. 66, 70 (2012). Although an abstract idea, itself, is patent-ineligible, an application of the abstract idea may be patent-eligible. *Alice*, 134 S. Ct. at 2355. Thus, we must consider “the elements of each claim both individually and ‘as an ordered combination’ to determine whether the additional elements ‘transform the nature of the claim’ into a patent-eligible application.” *Id.* (citing *Mayo*, 566 U.S. at 78–80). The claim must contain elements or a combination of elements that are “‘sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the [abstract idea] itself.’” *Id.* (citing *Mayo*, 566 U.S. at 72–73).

The Supreme Court sets forth a two-part “framework for distinguishing patents that claim laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of those concepts.” *Id.* at 2355.

First, we determine whether the claims at issue are directed to one of those patent-ineligible concepts. [*Mayo*, 566 U.S. at 76–77]. If so, we then ask, “[w]hat else is there in the claims before us?” *Id.*, at [77–78]. To answer that question, we consider the elements of each claim both individually and “as

an ordered combination” to determine whether the additional elements “transform the nature of the claim” into a patent-eligible application. *Id.*, at [77–78]. We have described step two of this analysis as a search for an “‘inventive concept’”—*i.e.*, an element or combination of elements that is “sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the [ineligible concept] itself.” *Id.*, at [71–73].

Id.

Our reviewing court has said the “relevant inquiry at step one [of the *Alice* steps] is ‘to ask whether the claims are directed to an improvement to computer functionality versus being directed to an abstract idea.’” *In re TLI Commc’ns LLC Patent Litig.*, 823 F.3d 607, 612 (Fed. Cir. 2016) (internal cite omitted).

ANALYSIS

We have reviewed Appellant’s arguments in the Briefs, the Examiner’s rejections, and the Examiner’s response to Appellant’s arguments. Appellant’s arguments have not persuaded us of error in the Examiner’s determination that the claims are unpatentable.

Appellant argues on pages 7 through 10 of the Brief, that claim 1 is not directed to an abstract idea.³ Specifically, Appellant argues claim 1 is not drawn to a fundamental economic practice as found by the Examiner, and that the Examiner has ignored the claim elements directed to using at least one biometric parameter. App. Br. 7–8. Appellant argues that claim 1 is:

directed to scanning a user at a terminal, in response,
determining at least one biometric parameter associated with

³ Appellant’s present argument directed to claims 1 through 10 and 12 through 15 as a group. We select claim 1 as representative of the group and decide the appeal based upon claim 1. *See* 37 C.F.R. § 41.37(c)(iv).

the user, and using at least one biometric parameter to **determine** a pre-staged transaction. Appellant's claims include scanning a user at a terminal, which is not possible to do without specialized equipment, namely a scanner, and determining at least one biometric parameter associated with the user in response to scanning the user.

Id. at 9. Appellant asserts that that claim 1 is directed to a technical solution to a problem where:

The technical problem arises outside the realm of financial transactions, and includes identifying a user without the use of a PIN number, which may be compromised. Appellant's claims represent a technical solution to this technical problem by, as recited in the claims, scanning a user and using a biometric parameter of the user to determine a pre-staged transaction for the user and perform the pre-staged transaction at a terminal.

Id. at 10.

The Examiner considers claim 1 to be generally directed to performing a financial transaction. Answer 3. Further, the Examiner responds to Appellant's arguments by considering the claimed steps, of determining users, comparing biometric parameters and determine, using the biometric parameter a pre-staged transaction, to be similar to organizing human activities which have been found to be to encompass abstract ideas by the courts. *Id.*

We concur with the Examiner, and Appellant's arguments have not persuaded us that representative claim 1 does not recite an abstract idea. Initially, we are not persuaded that claim 1 does not relate to a fundamental economic practice. Claim 1 recites several steps performed at a terminal, the penultimate step being to perform a pre-staged transaction. Appellant's Specification does not define the terms "terminal" or "transaction", but provides an example of a terminal as an Automated Teller Machine and an

example of a transaction as being “receiving or depositing currency or checks.” Spec. 1, ll. 9–14. Thus, the broadest reasonable interpretation of claim 1 includes a fundamental economic process, the transfer of money.

The Federal Circuit has explained that, in determining whether claims are patent-eligible under Section 101, “the decisional mechanism courts now apply is to examine earlier cases in which a similar or parallel descriptive nature can be seen—what prior cases were about, and which way they were decided.” *Amdocs (Israel) Ltd. v. Openet Telecom, Inc.*, 841 F.3d 1288, 1294 (Fed. Cir. 2016). The Federal Circuit also noted in that decision that “examiners are to continue to determine if the claim recites (i.e., sets forth or describes) a concept that is similar to concepts previously found abstract by the courts.” *Id.* at 1294 n.2.

In the instant case, representative claim 1 is directed to a) determining a biometric parameter from a scan of a user, b) determining users associated with the terminal, c) comparing the biometric parameter with those of users associated with the terminal, d) determine a transaction based upon the biometric parameter, and e) performing the transaction via the terminal. We note the claim does not recite that the terminal performs these steps but rather that they are performed *at* the terminal, i.e. the claim is broad enough to encompass a person performing the steps at the terminal. The Examiner has identified that the steps of determining and comparing are similar to concepts held to be abstract by the courts in *Classen Immunotherapies, Inc. v. Biogen IDEC*, 659 F.3d 1057, 1064 (Fed. Cir. 2011), *PerkinElmer, Inc. v. Intema Ltd.*, 496 Fed. App’x 65 (Fed. Cir. 2012) (non-precedential) and *SmartGene, Inc. v. Advanced Biological Labs., SA*, 555 Fed. App’x 950, 954 (Fed. Cir. 2014) (non-precedential). Answer 5. We concur with the

Examiner. The claims recite an abstract idea, which is similar to that performed by a person comparing a person's appearance to a picture of the person to verify their identity. As such the claim is similar to that that concept held to be abstract in *SmartGene Inc.* where the court held the claim "does no more than call on a 'computing device,' with basic functionality for comparing stored and input data and rules, to do what doctors do routinely." *SmartGene*, 555 Fed. App'x at 954. Here as discussed above, claim 1 does not require that the computer do the comparing, rather that the comparing is performed at a terminal (i.e. the claim is broad enough to encompass a person comparing a comparing biometric parameters at a terminal). We also note that steps of obtaining and determining a biometric parameter are merely steps of obtaining and comparing data, which are well known. *See, e.g.,* Spec. 2 (which identifies that such techniques were known to identify a person).

The claims in this case are also similar to those at issue in *Content Extraction and Transmission LLC. v. Wells Fargo Bank, Nat'l Ass'n*, 776 F.3d 1343, 1347 (Fed. Cir. 2014) (holding that the claims were "drawn to the abstract idea of 1) collecting data, 2) recognizing certain data within the collected data set, and 3) storing that recognized data in a memory.")

Further, we are not persuaded that claim 1 represents a technical solution to the technical problem of identifying a user without a pin or token. As discussed above, the use of biometric parameters is identified as known and, while Appellant's Specification (page 7, lines 19–24) discusses using a fingerprint reader to obtain the biometric parameter, the disclosure is just of a generic reader and provides no disclosure or any unique features of the fingerprint reader used in the claimed invention. Our reviewing court holds

that claims directed to “the use of conventional or generic technology in a nascent but well-known environment, without any claim that the invention reflects an inventive solution to any problem presented by combining the two” do not improve the computer’s functionality and as such are not directed to a solution of a “technological problem.” *TLI Comm. LLC.*, 823 F.3d at 612, 613. Thus, we are not persuaded by Appellant’s arguments that the Examiner erred in concluding claim 1 is directed to an abstract idea.

We next consider Appellant’s arguments on pages 11 through 14 of the Appeal Brief, where Appellant argues the claims amount to significantly more than just an Abstract idea. Specifically, the Appellant argues that since there is no rejection under 35 U.S.C. § 102 or 35 U.S.C. § 103, the rejection under 35 U.S.C. § 101 is in error Examiner has not shown the functions are generic and known functions. App. Br. 11, 13; Reply Br. 3–4. Further, Appellant argues the Examiner has failed to consider limitations, which amount to significantly more than the abstract idea, such as the claim 1 recitation of “*an interface for the user to perform a transaction.*” App. Br. 12. Also, Appellant argues that the use of “special hardware, namely the terminal and biometric scanner” draws the claim to significantly more than an abstract idea. *Id.* at 13.

We disagree with Appellant. The presence or absence of an art rejection is not determinate of whether a rejection under 35 U.S.C. § 101 is in error. The question in step two of the *Alice* framework is not whether an additional feature is novel but whether the implementation of the abstract idea involves “more than [the] performance of ‘well-understood, routine, [and] conventional activities previously known to the industry.’” *Content Extraction and Transmission LLC v. Wells*

Fargo Bank, Nat. Ass’n, 776 F.3d 1343, 1347–48 (Fed. Cir. 2014) (quoting *Alice*, 134 S. Ct. at 2359). Here as discussed above the use of biometric parameters, to identify a user is known. Further we are not persuaded that the recitation of a terminal and an interface in the claim represent significantly more than an abstract idea. “[T]he use of generic computer elements like a microprocessor or user interface do not alone transform an otherwise abstract idea into patent-eligible subject matter.” *FairWarning IP, LLC v. Iatric Sys., Inc.*, 839 F.3d 1089, 1096 (Fed. Cir. 2016) (citing *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245, 1256 (Fed. Cir. 2014)); *see also Alice*. Thus, we disagree with Appellant that claim 1 recites significantly more than the abstract idea, and we sustain the Examiner’s rejection of representative claim 1 and the claims grouped with claim 1.

DECISION

We affirm the Examiner’s rejection of claims 1 through 10 and 12 through 15 under 35 U.S.C. § 101.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a)(1)(iv). *See* 37 C.F.R. § 41.50(f).

AFFIRMED